EXHIBI	r <u>8</u>	
DATE_	2-9-07	
HB 3	13	



TESTIMONY IN SUPPORT OF HB 373

Water Right Solutions Inc. (WRSI) is a water rights consulting firm that has successfully completed several permit applications that required the use of augmentation to prevent adverse effects to senior water rights holders. WRSI feels that HB 373 streamlines the augmentation process and presents a reasonable compromise between the use of available water and preventing depletion of the resource in areas where water is scarce. Further, WRSI feels that HB 373 also presents a reasonable compromise between no augmentation and overly burdensome augmentation requirements.

HB 373 recognizes that not all ground water withdrawals impact surface water equally. The Legislature has previously acknowledged this distinction by enacting separate procedures for surface water basin closures (M.C.A. §85-2-319) and the establishment of controlled ground water areas (M.C.A. §85-2-506).

The purpose of augmentation is to prevent a ground water withdrawal from affecting senior water rights to surface or ground water. In situations where agricultural land is being developed for other use, WRSI has used historic irrigation water rights for augmentation. If the historic water right owner cannot exercise the water right through augmentation or sale, this valuable property interest is considered abandoned after 10 years of nonuse. To protect those historic irrigation rights, the augmentation process must be flexible and workable. Selling the water right or using it for augmentation prevents the forfeiture of the water right and brings some economic benefit to the seller as well as protecting water for those who still use their historic water rights.

WRSI supports HB 373 because it streamlines the augmentation process so as not to encumber economic development and/or the beneficial use of water in Montana.